



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

cc: 5/025/020

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September 29, 2003

CERTIFIED RETURN RECEIPT

7099 3400 0016 8896 3489

Mr. Robert Harris
West Desert Collectors
278 West Main
P.O. Box 102
Delta, Utah 84624

Re: Notice of Potential Non-Compliance & Division Directive, West Desert Collectors, Tetla
Septarian Mine, S/025/006, Kane County, Utah

Dear Mr. Harris:

On June 25, 2003, Will Stokes of the State Institutional Trust Lands (SITLA) and Mr. Tom Munson inspected State Leases ML-41355 and ML-48588 to assess the status of this permit and verify if the permitted area encompassing these two leases was below five acres. **This letter informs you have exceeded the five-acre limitation for your small mining permit. The total surface disturbance currently totals 9.69 acres between these two leases.**

During a phone conversation you had with Mr. Munson in late August, 2003, concerning areas that have been disturbed by Mr. Mike Caruso on Lease ML-48588 (2.13 acres) and Lease ML-41355 (0.75 acres), you informed Mr. Munson that you would assume full reclamation responsibility for those areas. The following table lists the current disturbances (in acres) and the status (by area) of the mining disturbances on those leases.

Lease #ML-48588

| | |
|--|-------------------|
| Area #1- Disturbance made by Caruso (active) - | 2.13 acres |
| Area #2 - Regraded but not seeded - | 1.45 acres |
| Area #3 - Partially regraded and not seeded- | <u>2.69 acres</u> |
| Total acreage for lease ML-48588 | 6.27 acres |

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Lease #ML-41355

| | |
|---|------------------------------------|
| Area #1- Reclaimed | 1.09 acres (not counted) |
| Area #2 - Regraded but not seeded - | 1.87 acres (1.11 acres + .75acres) |
| Area #3 - Active Mine Disturbance - | .80 acres |
| Area #4 - Disturbance made by Caruso (active) - | <u>.75 acres</u> |
| Total acreage for lease- ML-41355 | 3.42 acres |

Total acreage for the two leases 9.69 acres

During your August phone conversation, you stated that the 3.32 regraded acreage (1.45 + 1.87 acres) are scheduled to be seeded this fall. You also stated that Area #3 (2.69 acres) within Lease # ML-48588 will be regraded and seeded this fall. These two areas total 6.01 acres. When this grading and seeding work is completed, the remaining active disturbance will total 3.68 acres.

You are hereby directed to complete the regrading and seeding of the 6.01 acre areas by November 7, 2003. *Please contact Mr. Munson or me at least 10-14 days before this work is scheduled, so we can arrange to have someone present during the regrading and seeding activities.* Your failure to complete this work within the prescribed timeframe may result in additional enforcement action which could require immediate suspension of mining operations, the filing of a large mine permit application and the immediate posting of a transitional reclamation surety with our office.

Until this reclamation work is completed and verified, no further expansion is allowed. Please mark the boundary of the active disturbed areas with metal t-posts or other appropriate markers to ensure that operations are not conducted outside the currently disturbed areas.

As a point of clarification, you have dropped lease ML-46643 on your other septarian permit (file # S/025/020). That site will be inspected this fall and if no disturbance has occurred, that permit will be closed. The Division's Related and Neighboring Sites Policy states that *"noncontiguous mining and exploration disturbances, under the control of one operator, will be considered as one operation regardless of aggregate acreage, when the outer boundary of one disturbed area is within a two mile radius of the outer most boundary of another disturbed area."* If there is disturbance at this site, that area will be combined with this Tetla Septarian Permit # S/025/006.

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If you have any questions regarding this letter, please contact me at (801) 538-5286, or Mr. Munson at 538-5321. Thank you for your immediate attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "D. Wayne Hedberg". The signature is written in a cursive style with a large, stylized "H" and a long, sweeping underline.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
enclosures SITLA & DOGM Inspection Reports
cc Mike Caruso
Loy Crapo
Mary Ann Wright, DOGM
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